

JUNE 2018 - SALARIES

<u>DIRECTORATE</u>	<u>2018/19</u>			<u>2017/18</u>		
	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>
	<u>TO 30/06/18</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>	<u>TO 30/06/17</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>
	<u>£000</u>	<u>(ORIGINAL)</u>	<u>(ORIGINAL)</u>	<u>£000</u>	<u>(ORIGINAL)</u>	<u>(ORIGINAL)</u>
	<u>£000</u>	<u>£000</u>	<u>%</u>	<u>£000</u>	<u>£000</u>	<u>%</u>
CHIEF EXECUTIVE	208	231	-10.0	118	131	-9.9
RESOURCES *	1,553	1,605	-3.2	1,405	1,497	-6.1
GOVERNANCE *	906	940	-3.6	910	907	0.3
NEIGHBOURHOODS *	1,278	1,346	-5.1	1,261	1,266	-0.4
COMMUNITIES *	2,017	2,010	0.3	1,945	1,982	-1.9
TOTAL	5,962	6,132	-2.8	5,639	5,783	-2.5

* Actual agency costs are £325k to date, of this £245k is included in the actual expenditure above, as the remainder is covered by other existing budgets.

Please note a vacancy allowance of 1.50% has been deducted in all directorate budget provisions.

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	124	60	68	59	8	13	The variance is due to ad hoc security for events and additional security to cover for a month at the museum store (Grangewood) while emergency building works were taking place.
Bed & Breakfast Accommodation	271	68	35	124	-33	-49	The underspend on bed and breakfast accommodation is due to suppliers slow in invoicing the Council.
Grants to Voluntary Groups	88	1	0	0	-1	-100	There are no major variances.
Voluntary Sector Support	174	56	57	56	1	1	There are no major variances.
Disabled Facilities Grants	630	158	87	97	-71	-45	The Council has a legal duty to provide Disabled Facility Grants (DFGs) to all residents who meet the eligibility criteria. These grants are used for disabled adaption works such as stair lifts, disabled entry solutions and bathroom renovations, all fully funded by Better Care Fund. The expenditure in quarter 1 amounted to £87,000, however, the commitments will continue to rise over the year as additional grants are approved.
<u>Major income items:</u>							
Bed & Breakfast Accommodation	280	70	84	117	14	20	Income was higher at this point last year due to more rents due. There has been a reduction since then and maybe the new initiatives are now starting to have a positive affect.
	1,567	413	331	453			

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
Major income items							
Development Control	1,248	279	548	218	269	96	<p>Development Control fees received in the first quarter has exceeded both the budget to date and the previous year's actual due to an increase in the number of planning applications received. This includes the 20% increase in Planning Fees which was implemented in January 2018 along with a number of high value fees from large developer proposals who may have previously been awaiting the publication of the Local Plan.</p> <p>The £269,000 additional income received in comparison to the budget at the end of quarter one includes £258,000 in development control fees and charges and £11,000 in other pre assessment consultation fees.</p>
Building Control Fee Earning	500	145	123	160	-22	-15	<p>Building Control fees are significantly lower in the first quarter of this year than the previous year due to administrative delays in processing building control application payments received via the introduction of the online payments system in April 2018. It is expected that in quarter two the actual and comparative will be on target.</p>
Local Land Charges	164	44	40	49	-4	-9	<p>The first quarter of 2018/19 has seen a small decline in the amount of official searches resulting in reduced levels of fee income compared to the first quarter of the previous year and the budget to date. It is difficult to predict the number of searches the service will receive as it is determined by the buoyancy of the housing market. The Local Land Searches service are currently looking at ways to maximise income which will ensure both viability and legality of any new measures introduced. However income will continue to fluctuate for the remainder of 2018/19 and going into the 2019/20.</p>
	1,912	468	711	427			

	18/19	First Quarter			18/19		Comments
	Full Year	18/19	18/19	17/18	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	£'000	%	
Major expenditure items:							
Refuse Collection	1,462	218	213	217	-5	-2	} No major variances
Street Cleansing	1,386	222	209	203	-13	-6	
Recycling	3,049	364	370	441	6	2	No major in year variance. The variance between years relates to a creditor brought forward not yet paid.
Highways General Fund	62	5	3	1	-2	-40	No major variances,
Off Street Parking	479	136	141	137	5	4	No major variances
North Weald Centre	218	66	58	69	-8	-12	This relates to various maintenance budgets which tend to have more spend in the final quarter
Land Drainage & Contaminated Land	192	13	0	9	-13	-100	No expenditure has been necessary so far this year because of the dry conditions.
	6,848	1,024	994	1,077			

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items</u>							
Forward Planning/Local Plan	1,235	93	6	38	-87	-94	Due to the recent submission of the local plan expenditure is on hold until the investigations begin on the appeals process from some residents.
<u>Contract cost Monitoring</u>							
Leisure Contract	-734	-134	-113	0	-21	-16	Due to some additional costs relating to pensions the net income is lower than expected. Over time this additional cost will diminish but will mean the full savings will be realised later than expected.
	501	-41	-107	38			

DIRECTORATE FINANCIAL MONITORING - NEIGHBOURHOODS (3)

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major income items:</u>							
Refuse Collection	80	20	23	19	3	15	No major variances.
Recycling	1,477	0	0	0	0	0	The Recycling credit income figures usually take some time to agree with the County Council and hence no income was expected or received in the first quarter
Off Street Parking	1,368	309	308	309	-1	0	No major variances.
North Weald Centre	976	355	302	321	-53	-15	The major in year variance is due to no rental income from NAPAS to date. The variance between years is mainly due to a fall in events income.
Hackney Carriages	176	44	36	43	-8	-18	Income is lower than expected at this point though the initial 3 year licences first issued in 2015 are due for renewal in the autumn so there should be a spike in income then.
Licensing & Registrations	112	12	16	13	4	33	Some additional income is showing though this is likely to be a timing difference.
Fleet Operations MOTs	244	61	52	52	-9	-15	Whilst MOT income is showing a moderate increase (2.3% year-on-year) against a targeted increase of 12% and a new budget for the sale of old vehicles sees estimated income being down on estimate, but still in line with previous years income to date.
	4,433	801	737	757			

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major income items:</u>							
Industrial Estates	1,373	651	629	670	-22	-3	The variance year-on-year is down to a premium received from 1 unit at Brooker Road. In-year variances arise due to a couple of units where tenancies have extinguished.
Business Premises - Shops	2,204	1,102	1,073	1,080	-29	-3	No major variances. Income is generally in line with the previous year.
Epping Forest Shopping Park	1,776	444	515	0	71	16	Income is accounted for over the whole length of the lease and therefore income is being accrued when rent free periods are in force. The budget did not assume this.
Local Plan Implementation	40	10	84	0	74	740	With this being a new scheme and budgets there was little surety about the amount of income that would be generated. To date there has been an amount from one developer and a grant from MHCLG.
Land & Property	215	105	105	8	0	0	Quarter 1 of 2017/18 did not feature any income from the David Lloyd Sports Centre as the lease was under review and no income was stated for the period.
	5,609	2,312	2,408	1,759			

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Building Maintenance	638	51	45	37	-6	-12	Expenditure fluctuates from one year to another due to Building Maintenance works being determined on a rolling five year programme which identifies and prioritises the works required to the non-office assets but generally works are undertaken in the latter part of the year which allows for preparation work to take place initially.
Information & Communication Technology	1515	891	882	694	-9	-1	The full year budget includes the cost of the councils Multi-Function Devices, Network Telephone & Mobiles, provision of the Service Desk and maintenance for all Systems in use. Expenditure in 2018/19 is higher than the comparative actual due to costs relating to the technology strategy which was approved in November 2017 as part of the transformation programme. Although at quarter one the expenditure is lower than the profiled budget, it is expected that this will be spent in the last two quarters of the year for ongoing system projects within the Council.
Benefit relating to Bed & Breakfast cases (Non-HRA Rent Rebates)	289	72	67	87	-5	-7	Caseload has remained reasonably static over the last few quarters. The actual in the previous year included some claims that were late being submitted and had an element of backdating.
Bank & Audit Charges	117	8	7	1	-1	0	The expenditure in the first quarter of 2018/19 is on target with the budget to date. The increase in expenditure compared to the prior year is the result of a timing difference in the billing for the banking and cash collection charges.
	2,559	1,022	1,001	819			
<u>Major income items:</u>							
Investment Income	102	25	31	51	6	22	Interest income is slightly above expectations due to cash holdings being higher than expected. The recently announced increase in interest rates will also have a positive effect.
	102	25	31	51			

	18/19 Full Year Budget £'000	First Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	311	34	23	25	-11	-32	Expenditure is lower in the first quarter of 2018/19 due to less spending on Policy & Management, consultants fees.
Housing Repairs	6,128	767	729	591	-38	-5	The underspend mainly relates to the Planned and Engineering Maintenance of the HRA. The spend in quarter one last financial year, 17-18, was lower due to a delay in invoices from one of the contractors.
Special Services	1,129	193	186	171	-7	-4	The main area that is showing an underspend is Staircase Lighting, electricity. The profile has been amended from monthly to seasonal, however there will always be a slight variance showing.
	7,568	994	938	787			
<u>Major income items:</u>							
Non-Dwelling Rents	876	215	212	205	-3	-1	There are no major variances to report.
Gross Dwelling Rent	31,324	7,831	7,797	7,876	-34	0	The reduction in rental income from dwellings this financial year compared to 2017/18 is due to the rent decrease of 1% from April 2018, combined with reduced stock numbers due to the high number of Right To Buy sales last year. Void levels are around 0.75%, running broadly in line with expectations.
	32,200	8,046	8,009	8,081			